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### THE CONCEPT OF DELEGATION OF LOCAL GOVERNMENT AUTHORITY (STUDY OF FINANCIAL SUPERVISION AND MANAGEMENT)

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#### Abstract:

The development of regional autonomy has placed various new authorities possessed by the regions. One of these powers is the delegation of some regional authorities to sub-districts to support regional programs and policies. The sub-district itself has the authority, duties and functions, one of which is regarding financial management and supervision. The research method used is normative research with an approach to legislation. This research is categorized into normative legal research type, it is based on the issues and or themes raised as research topics. The research approach used is philosophical and analytical, namely research that focuses on rational, critical analytical and philosophical views, and ends with conclusions that aim to produce new findings as answers to the main problems that have been determined. The results of the study show that the concept of delegating regional authority to sub-districts has been comprehensively regulated in Law Number 23 of 2014 concerning Regional Government. In the financial management and supervision of the sub-district, it is placed as a coordination line for the village in determining the APBDES which is regulated in PP Number 43 of 2014 Article 101 and Permendagri Number 113 of 2014 Article 23, namely the regent/mayor can delegate the implementation of the evaluation of the draft village regulation on APBDes to the sub-district head or other designations. In addition, the sub-district head has a role in submitting the APBDes Realization Report and the APBDes Realization Accountability Report to the regent/mayor.

**Keywords:** Delegation, Authority, Finance.

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## INTRODUCTION

As a state of law, Indonesia must of course base everything on the law, as mandated by Article 1 paragraph (3) of the 1945 Constitution of the Republic of Indonesia (hereinafter referred to as the 1945 Constitution) states "Indonesia is a state of law". Based on the mandate, that Indonesia adheres to the notion of a state of law or rechstaat, not machtstaat which is based on mere power (Asshiddiqie, 2013).

In this regard, in its development, Indonesia has adopted a decentralized system with the division of authority between the central government and local governments. As emphasized in

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Article 18 of the 1945 Constitution. Article 18 of the 1945 Constitution, brings various new changes in the administration of local government and is further elaborated in Law No. 23 of 2014 concerning Regional Government (Law on Regional Government), which has fundamental consequences for government practices, one of which is related to the position, main tasks and functions of the sub-district. These changes resulted in changes in the form of organization, financing, filling of personnel, fulfillment of logistics needs and accountability, in addition to changes in the definition of the sub-district itself.

Previously, sub-districts were administrative areas in the context of deconcentration, namely the work environment of government apparatus that carried out the implementation of general government tasks in the regions, while according to the Regional Government Law, Article 126 and Article 3, namely sub-districts are district/city regional apparatus in the framework of the principle of decentralization. This means that in the past, within the framework of the deconcentration principle, the sub-district was one of the administrative areas of government, other than the national, provincial, district and municipality, as well as administrative cities. However, at this time the District is the working area of the regional apparatus. It can also be said that the sub-district is not an area of authority, but the sub-district is a service area (Kusuma, 2013).

This change in the status of the sub-district has an impact on the position, duties and functions of the sub-district from an area of authority to a service area. This means that the sub-district is one of the most important elements in supporting government programs. To support these service tasks, sub-districts receive delegation from the local government, one of which is in the aspect of financial supervision and management. Based on this, it is important to look at the mechanism for managing and monitoring sub-district finances, as an effort to support and realize the aspect of excellent service to the community towards good government

Based on the description above, it can be concluded that several formulations of the problem from this research, namely: What is the concept of delegation of authority in the legislation, and how are the arrangements for the delegation of authority over financial supervision and management in the sub-districts. So the researcher decided to make a study entitled "The Concept of Delegation of Local Government Authority (Study of Financial Supervision and Management)".

### METHOD

This research is categorized into normative legal research type, it is based on the issues and or themes raised as research topics. The research approach used is philosophical and analytical, namely research that focuses on rational, critical analytical and philosophical views, and ends with conclusions that aim to produce new findings as answers to the main problems that have been determined (Ishaq, 2017). And will be analyzed using descriptive analytical method, namely by describing the applicable laws and regulations related to legal theory and positive law enforcement practices related to the problem (Marzuki, 2011).

### RESULTS AND DISCUSSION

**Concept of Delegation of Authority in Legislation.** In Law Number 23 of 2014 concerning Regional Government, the position of the District is as a work environment for regional officials. While the Camat as a regional apparatus and the Camat's authority is delegative. As for the relationship with the lurah, the lurah receives a delegation of authority from the Camat. Furthermore, Article 66 states that:

- 1) A sub-district is an apparatus of a district and a city area led by the head of a sub-district.
- 2) The Head of the District is called the Camat.

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- 3) The Camat is appointed by the Regent/Mayor on the recommendation of the Regency/City Regional Secretary from a qualified Civil Servant.
- 4) The Camat receives the delegation of part of the government's authority from the Regent/Mayor.
- 5) The Camat is responsible to the Regent or Mayor.
- 6) The establishment of a District is determined by a Regional Regulation.

Meanwhile, in Article 126 paragraph (3) letter a of the Regional Government Law, the Camat has the authority to foster village administration. Based on the perspective of public administration, the delegation of authority from the Regent/mayor to the Camat, and the delegation of some tasks from the Camat to the village/kelurahan is not only a necessity, but rather a necessity. This delegation is intended to create effectiveness and efficiency in the administration of government, as well as to improve public services in the regions. So far, the implementation of some of the existing authorities is still concentrated in the Regency/City (Koswara, 2007). This can cause problems, namely:

- 1) Regency/City Governments will tend to have a workload that is too heavy (overload) so that the service function for the community becomes less effective. On the other hand, as a result of too much authority, the Regency/City Government, which is designed to accommodate its authority, actually makes the institutional format larger and inefficient.
- 2) Sub-districts as district/city government apparatus and sub-districts as sub-district apparatus will appear as organizations with minimal functions. What sub-districts and sub-districts do are only routine administrative tasks that have been carried out so far, without any effort to further empower these two institutions. this also indicates an extraordinary organizational waste.

According to Tri Widodo, some of the benefits obtained from the transfer of power model or the delegation of authority from the Regency/City Government to the Sub-district include (Utomo, 2004) :

- 1) The burden of the Regional Government in providing/providing services is decreasing because it has been taken over by the District or sub-district/village as the spearhead.
- 2) Local governments do not need to form large institutions so that they can save budget.
- 3) The allocation and distribution of the budget is more evenly distributed throughout the area of development and national economic growth.
- 4) As a vehicle for empowering the function of the District.

The preparation of work programs and sub-district activities as the basis for preparing the budget refers to the main tasks and functions which are the elaboration of the attributive authority and the delegative authority granted by the Regional Head. Meanwhile, according to Law Number 23 of 2014 concerning Regional Government in Article 209 it is explained that the sub-district is a district/city regional apparatus, as explained in paragraph (2) letter f.

The delegation of sub-districts is regulated in Article 226 of Law Number 23 of 2014 concerning Regional Government, as follows:

- a. In addition to carrying out the tasks as referred to in Article 225 paragraph (1), the Camat gets the delegation of part of the authority of the regent/mayor to carry out some of the Government Affairs which are the authority of the district/city;
- b. The delegation of authority of the Regent/Mayor as referred to in paragraph (1) is carried out based on the mapping of public services in accordance with the characteristics of the District and/or the needs of the community in the District concerned;

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c. The delegation of authority of the Regent/Mayor as referred to in paragraph (2) shall be stipulated by a decision of the Regent/Mayor based on government regulations.

This is further emphasized in Article 10 of Government Regulation Number 17 of 2018 concerning Districts. The Camat is delegated part of the authority of the Regent/Mayor, namely: to carry out some government affairs which are the authority of the Regency/City area; and to carry out auxiliary tasks.

**Arrangements for Delegation of Authority to Financial Supervision and Management in the District.** With the ratification of Law Number 6 of 2014 concerning Villages, it is hoped that all interests and needs of the village community can be better accommodated. Providing greater opportunities for villages to manage their own governance and equitable development implementation is expected to improve the welfare and quality of life of rural communities. Thus, problems such as regional disparities, poverty, and other socio-cultural problems can be minimized. In PP Number 43 of 2014 Article 101 and Permendagri Number 113 of 2014 Article 23, regents/mayors can delegate the implementation of the evaluation of draft village regulations on APBDes to the camat or other designations. In addition, the sub-district head has a role in submitting the APBDes Realization Report and the Accountability Report for the Realization of APBDes Implementation to the regent/mayor. Good relations between the sub-district and the village are expected to accelerate the development process in the village which will have a direct impact on regional development. Coordination efforts between sub-districts and villages need to be improved to reduce problems that may arise in the implementation of village government management, including, among others, village financial management, effectiveness of village funds and allocation of village funds.

The key word in building sub-district and village relations in the context of the era of village autonomy is the delegation of the regent/mayor to the sub-district by giving written authority through administrative procedures, which are in accordance with the provisions of the applicable laws and regulations in the area. Delegation includes:

- a) Authority to evaluate the Draft APBDes.
- b) The authority to provide guidance when submitting the APBDes Realization Report and the Accountability Report for the Realization of APBDes Implementation.
- c) The Camat and its staff have adequate technical capabilities in terms of:
  1. Knowing the authority and limitations in the context of supervising village financial management.
  2. Knowing the flow of the planning process to village financial reporting.
  3. Knowing the methods and tools needed to supervise and foster village financial management.

In the Village Law text, the camat is mentioned in terms of consultation on the appointment and dismissal of village officials carried out by the village head. This consultation also includes coaching and supervision. According to PP Number 47 of 2015 concerning Amendments to Government Regulation Number 43 of 2014 concerning Regulations for Implementing Law Number 6 of 2014 concerning Villages, regents/mayors have the function of fostering and supervising villages, especially for submitting Village Administration Reports (LPPD). and evaluation of Draft Village Regulations (Raperdes). If the camat receives a delegation from the regent/mayor, the camat is authorized to conduct an assessment of the LPPD and Raperdes.

The government will certainly provide guidelines on the functions of guidance and supervision carried out by the sub-district head to the village. In accordance with PP Number 47 of 2015, the district/city government through the sub-district head must ensure that a minimum of 70% of the budget is allocated to fund the administration of village governance, implementation of

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village development, village community development, and village community empowerment. Meanwhile, at most 30% of the total village budget is used for:

- a. Fixed income and allowances for village heads and village officials;
- b. Village government operations;
- c. BPD operational and allowances;
- d. Incentives for RT and RW Village spending to fund the implementation of village governance, implementation of village development, village community development, and village community empowerment must be in accordance with national and regional priorities.

In addition, it is also necessary to ensure that village expenditures do not conflict with community law/morals and are not spent on things that are still in conflict or have the potential to cause conflict, such as constructing buildings on land whose ownership status is unclear.

Based on this, it is important for the sub-district in terms of financial management and supervision to run effectively by taking several steps:

1. Approach to Assistance, Supervision, and Development in Villages
  - a. The coaching steps that can be carried out by the district are as follows:
  - b. The sub-district as agrarian supervisor in its territory can help the district government to track the status of the land. The sub-district should have data related to historical land inventory so that it will facilitate the process of checking the status of a land.
  - c. The sub-district socializes the rules related to the management of village assets, especially regarding asset sales.
  - d. Actively communicate with the village government in preparation for the establishment of BUMDes. One of the innovations made by the central government is to create a BUMDes clinic as a forum for BUMDes coordination. As an extension of the program, the local government through the sub-districts can establish a BUMDes Communication Forum to provide village governments with an understanding of how to form BUMDes.
  - e. The lack of human resources to manage BUMDes can be overcome by providing technical guidance to village officials and also village communities in order to improve managerial capabilities.
2. Carry out administrative guidance related to the management of village assets and BUMDes. The granting of wider authority to the village government has the consequence of increasing demands for quality accountability and transparency in the management of village-owned resources. In the future, the village government is expected not only to be able to provide better public services, but also to be able to manage its finances and assets more professionally and effectively. Effective and effective for the welfare of the community that is getting better.
3. Village Asset Efficiency
  - a. Some things to note that village assets can be sold under the following conditions:
  - b. Village assets do not have useful value and/or economic value in supporting the implementation of village governance;
  - c. Village assets in the form of plants and livestock managed by the village government, such as teak, meranti, bamboo, cows, goats
  - d. Asset sales can be made through direct sales and/or auctions;
  - e. Direct sales include tables, chairs, computers, typewriters as well as plants and livestock;
  - f. Sales through auction include motor vehicles, machine tools;
  - g. Direct sales and auctions are accompanied by proof of sale and determined by the village head's decision on the sale; The money from the sale is entered in the village treasury account as the village's original income.

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Based on the description, it can be seen that the role of the sub-district in financial management and supervision is very important for the progress and success of the region. This is because the relationship between the village and the sub-district are interrelated. Therefore, the position and function of the sub-district are required to have administrative and legal order in order to realize good governance.

**CONCLUSIONS**

The tasks and functions of the sub-district in the contemporary era of autonomy have changed as the basis for community services. Moreover, with the existence of Law No. 23 of 2014 concerning Regional Government, sub-districts have had many delegations of authority, one of the most important is financial management and supervision. Therefore, sub-districts and villages have an important relationship that is guaranteed in Law Number 6 of 2014 concerning Villages. In terms of financial management and supervision, sub-districts have several important roles, namely: 1). Approach to Assistance, Supervision, and Village Development, 2). Carry out administrative guidance related to the management of village assets and BUMDes and 3). Village Asset Efficiency. Therefore, there is a need for constructive cooperation from all parties, especially sub-districts and villages in terms of financial management and supervision. This is important to do because good financial management and supervision is the main benchmark for development efficiency for the welfare of the community.

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